



State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

Representativ	es Present During the Inspection:	
Company	David Shaver Manager	
OGM	Pete Hess Environmental Scientist III	

Inspection Report

Permit Number:	C0070019
Inspection Type:	PARTIAL
Inspection Date:	Monday, July 27, 2009
Start Date/Time:	7/27/2009 12:15:00 PM
End Date/Time:	7/27/2009 3:30:00 PM
Last Inspection:	Wednesday, July 08, 2009

Inspector: Pete Hess, Environmental Scientist III Weather: Hot, possible thunderstorms pending.

InspectionID Report Number: 2096

Accepted by: jhelfric 8/20/2009

Permitee: ANDALEX RESOURCES INC TOWER DIVISION Operator: ANDALEX RESOURCES INC TOWER DIVISION

Site: CENTENNIAL MINE

Address: 6750 AIRPORT RD, PO BOX 902 PRICE UT 84501

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

6,528.83	Total Permitted		
47.19	Total Disturbed		
	Phase I		
	Phase II		
	Phase III		

Mineral Ownership

Types of Operations ✓ Underground ✓ Federal Surface State Loadout County Processing Fee Other Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee notified the Division during the week of July 20, 2009 that the activities necessary to correct many of the problems identified in N10040, Failure to Meet the Terms and Conditions of the Approved Mining and Reclamation Plan for the construction and operation of degasification wells at the Centennial Mine had been corrected. An inspection of the wells was scheduled on July 27, 2009 to determine if the completed activities met the requirements established within Appendix X of the MRP.

Inspector's Signature:

Pete Hess, Environmental Scientist III

Date

Monday, August 17, 2009

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale				
2.	Signs and Markers	V		✓	
3.	Topsoil	V		✓	
4.a	Hydrologic Balance: Diversions	V		✓	
4.b	Hydrologic Balance: Sediment Ponds and Impoundments		✓		
4.c	Hydrologic Balance: Other Sediment Control Measures	✓		~	
4.d	Hydrologic Balance: Water Monitoring				
4.e	Hydrologic Balance: Effluent Limitations				
5.	Explosives				
6.	Disposal of Excess Spoil, Fills, Benches				
7.	Coal Mine Waste, Refuse Piles, Impoundments				
8.	Noncoal Waste				
9.	Protection of Fish, Wildlife and Related Environmental Issues	✓		✓	
10.	Slides and Other Damage				
11.	Contemporaneous Reclamation				
12.	Backfilling And Grading	V			
13.	Revegetation	V			
14.	Subsidence Control				
15.	Cessation of Operations				
16.8	a Roads: Construction, Maintenance, Surfacing				
16.b	Roads: Drainage Controls	✓			
17.	Other Transportation Facilities				
18.	Support Facilities, Utility Installations	V		✓	
19.	AVS Check				
20.	Air Quality Permit				
21.	Bonding and Insurance				
22.	Other				

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2. Signs and Markers

The Permittee has installed placards at each of the degasification well sites to identify them; also, disturbed area perimeter markers have been installed. Topsoil storage has also been identified at each of the well sites.

3. Topsoil

4.a Hydrologic Balance: Diversions

The berm identified as having been breached on degasification well pad #1 has been repaired..

4.c Hydrologic Balance: Other Sediment Control Measures

The silt fences associated with well pads GVH #1, GVH #6, and GVH #12 have been replaced with excelsior logs. All other pads where silt fence maintenance was noted as lacking have had excelsior logs installed to act as the sediment control.

9. Protection of Fish, Wildlife and Related Environmental Issues

The silt fences providing treatment of the runoff from the GVH pad areas have been replaced with excelsior logs. This type of treatment appears to be capable of functioning as designed.

18. Support Facilities, Utility Installations

The Permittee identified degasification wells GVH #1 and GVH #5 as having no future use for mine ventilation or commercial gas sales during today's inspection. The Permittee was instructed to proceed with the reclamation of GVH #1 and GVH #5 as pertaining to remedial action #3 identified on notice of violation # N10040.